# GOVERNMENT OF INDIA
# MINES
# LOK SABHA

UNSTARRED QUESTION NO:1351
ANSWERED ON:25.07.2016
New National Mineral Exploration Policy
Chinnaraj Shri Gopalakrishnan;Gaikwad Dr. Sunil Baliram;Gavit Dr. Heena Vijaykumar;Gupta Shri Sudheer;Kambhampati Dr. Hari Babu;Khadse Smt. Raksha Nikhil;Kirtikar Shri Gajanan Chandrakant;Maadam Smt. Poonamben Hematbhai;Mahato Shri Bidyut Baran;Patil Shri Vijaysinh Mohite;Radhakrishnan Shri T.;Rao (Avnthi) Shri Muthamsetti Srinivasa;Reddy Shri Ch. Malla;S.R. Shri Vijay Kumar;Singh Shri Kunwar Haribansh;Sreeramulu Shri B.;Sule Smt. Supriya Sadanand;Suman Shri Balka

**Will the Minister of MINES be pleased to state:**

(a) whether only 10 per cent of the entire geological potential area has been explored and mining work undertaken in 1.5 to 2 per cent of the total area in the country and if so, the details thereof and the reasons therefor;
(b) whether the Government is in the process of framing a New National Mineral Exploration Policy (NMEP) and if so, the aims and objectives thereof;
(c) whether there is any proposal to involve private sector in mineral exploration and if so, the details thereof along with the mode of revenue sharing worked out for the purpose;
(d) whether the Government proposes to allow private firms to start exploration for more minerals such as diamond and gold where current mining is negligible and if so, the details thereof; and
(e) the other steps taken by the Government to boost mining sector in the country?

## Answer

(a): Geological Survey of India [GSI] has covered almost the entire area of 31.4 lakh sq. km. of the country's mappable area by systematic geological mapping on 1:50,000 scale. On the basis of this, the geological potential area of 5.71 lakh sq. km. has been identified for scheduled non-fuel and non-coal major minerals. GSI has launched National Geochemical Mapping (NGCM) and National Geophysical Mapping (NGPM) programs. Of the identified geological potential area, GSI has covered 3.17 lakh sq.km. and 1.9 lakh sq. km. by NGCM and NGPM respectively. Private and public mineral exploration agencies launch mineral exploration programmes based on the above baseline data.

An area of 4,550 sq. kms. is under mining leases all over the country pertaining to all minerals excluding fuel, atomic and minor minerals.

(b): Yes. The National Mineral Exploration Policy (NMEP) has been approved by the Government. The Policy is available at the website of Ministry of Mines (http://mines.nic.in/writereaddata/Content/NMEP.pdf). The policy, inter-alia, proposes that:
1. The Government will create baseline geoscientific data as a public good and will make available pre-competitive baseline geoscientific data of the highest standards free of charge in public domain.

2. The Government will carry out aero-geophysical survey of the country in a mission mode initially in the potential areas of around 8 lakh sq. kms and subsequently in the rest of the areas.

3. A National Geoscientific Data Repository (NGDR) will be set up to collate all baseline and mineral exploration information generated by various central and state government agencies and also mineral concession holders and maintain these on a geospatial database.

4. The Government will establish a National Centre for Mineral Targeting (NCMT) in collaboration with geoscientific organisations, academia and industry to target concealed and deep-seated mineral deposits.

5. The Government will carry out auctioning of identified exploration blocks for exploration by private sector on a suitable revenue sharing basis in case their exploration leads to auctionable resources. In case no auctionable resources are discovered, exploration expenditure will be reimbursed on normative cost basis.
(c) & (d): Under the NMEP, the private agencies could be engaged to carry out exploration work in identified blocks/areas with the right to a certain share in the revenue [by way of certain percentage of royalty/ premium] accruing to the State Government throughout the lease period, with transferable rights in case of discovery of an auctionable block. In cases where no such blocks are discovered, the exploring agency will be reimbursed on normative cost basis. Reasonable blocks/ areas [where baseline geoscientific data is available with GSI] for regional exploration has been earmarked/ identified by the Government which will be allotted to private explorers through open competitive bidding/auction process by the State Government.

(e): The other steps taken by the Government are the enactment of the Mines and Minerals
[Development and Regulation] Amendment Act, 2015 and the Atomic Minerals Concession Rules, 2016. The MMDR Amendment Act, 2015 has prescribed auction by competitive bidding as the method for grant of mineral concessions for major minerals. The other

important provisions of the Act are assured tenure and easy transferability of mineral concessions; establishment of District Mineral Foundation for the welfare of persons, and areas, affected by mining related operations; establishment of National Mineral Exploration Trust for regional and detailed exploration; and strict penalty provisions against illegal mining. The Atomic Mineral Concession Rules, 2016 has provisions which have led to release of significant area, where atomic minerals are less than the prescribed threshold values, for grant of mineral concessions by State Governments by the method of auction through competitive bidding.

* * *